



# INVESTMENT OPPORTUNITIES IN INDONESIA

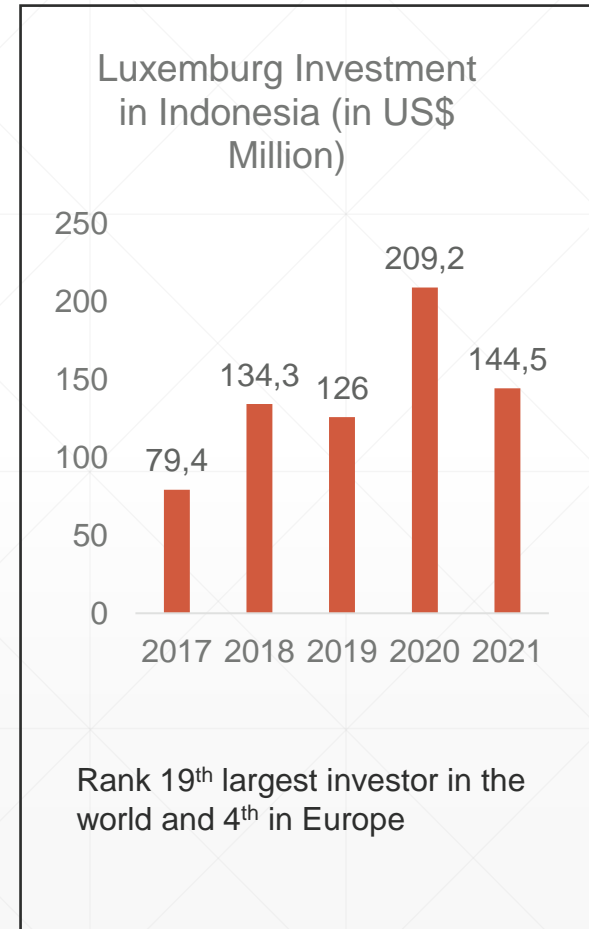
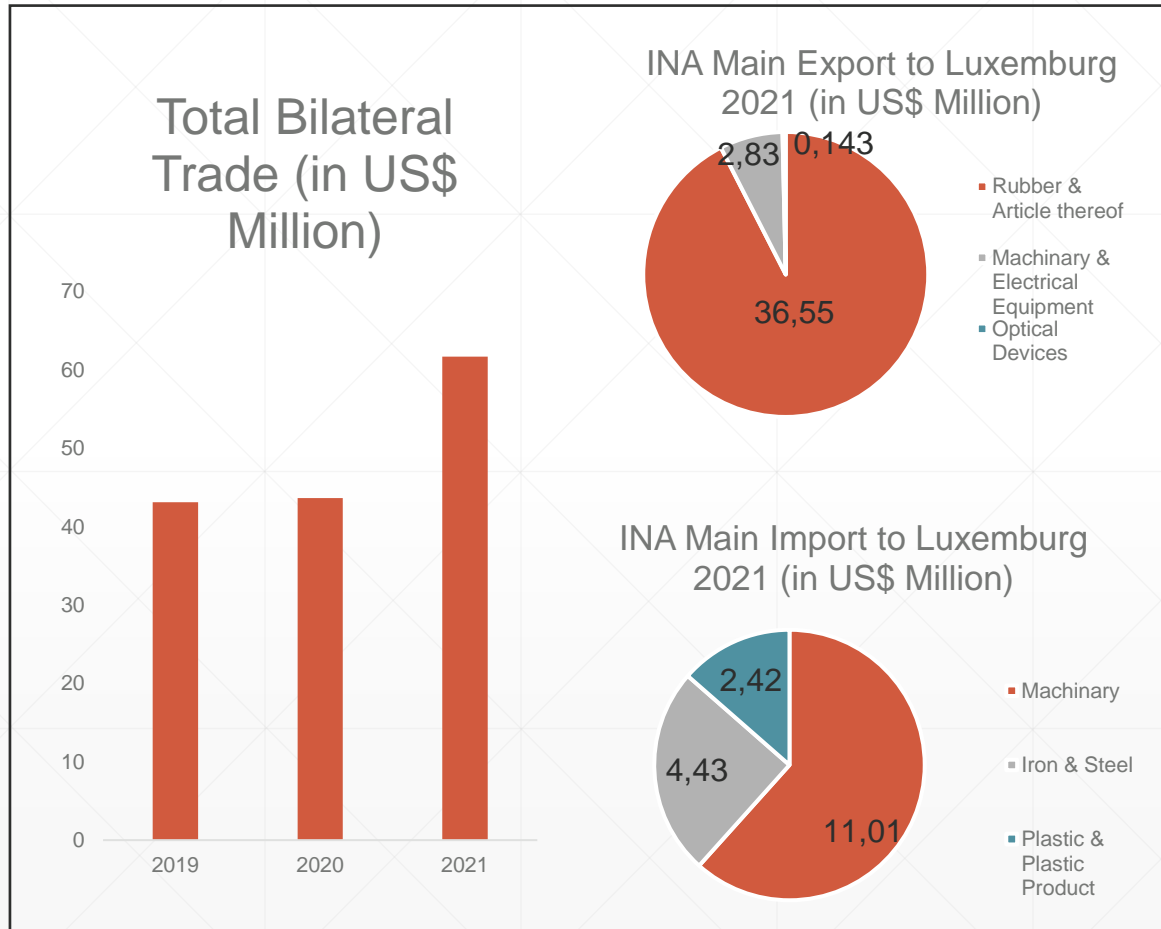


**H.E. DR. ANDRI HADI**

Ambassador of the Republic of Indonesia  
to the Kingdom of Belgium, the Grand Duchy of  
Luxembourg, and the European Union

Luxembourg, 4 May 2022

# Indonesia – Luxembourg Bilateral Trade & Investment



- Indonesia – Luxembourg Agreement on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion
- Signed in 1993; Entry into force in 1994

# Indonesia's Key Economic Outlook Indicator

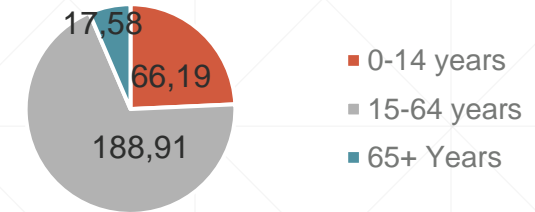
Main Indicators	2018	2019	2020	2021
<b>GDP</b> (billions US\$)	1	1	1	1
<b>GDP</b> (Constant Prices, Annual % Change)	5.2	5.0	-2.1	3,7
<b>GDP Percapita</b> (Thousand US\$)	3.9	4.2	3.9	4.3 (E)
<b>Government fiscal deficit</b> (in% of GDP)	-1.7	-2.2	-4.7	-5.1 (E)
<b>Debt to GDP ratio</b> (in% of GDP)	30.1	30.6	36.6	41.4 (E)
<b>Inflation Rate</b> (%)	3.3	2.8	2.0	1.6
<b>Unemployment Rate</b> (% of the Labour Force)	5.3	5.3	7.1	6.5 (E)
<b>Current Account</b> (billions US\$)	-30.6	-30.3	-4.7	-15.1(E)
<b>Current Account</b> (in % of GDP)	-2.9	-2.7	-0.4	-1.3 (E)

Source: IMF – World Economic Outlook Database, April 2021 & April 2022

Note: (E) Estimate Data

## 1. DEMOGRAPHIC BONUS

Population Composition by Age Group (in Million)



- 69.3% of the population is in the productive age group
- A huge potential market

## 2. Indonesia's Sovereign Credit Rating

- S&P (**BBB**, Stable - investment grade; 27 April 2022)
- Moody's (**Baa2**, Stable, 10 Feb. 2022)
- Fitch (**BBB**, Stable, 22 Nov. 2021)

# Priority Sectors for Investment



## Labour-Intensive Manufacturing

- Pharmaceutical and Medical Devices Industry
- Automotive Industry
- Electronic Industry



## Infrastructure

IT infrastructure  
roads, ports, airports,



## Mining Industry

which will create added value



## Renewable Energy

These priority sectors are in line with Indonesia's priorities during G20 Presidency:

- Global health architecture
- Digital transition
- Energy transition

# Financing Sustainable Development Goals' (SDG) Project

Financing SDG's Project in Indonesia, facilitated by State-Owned Enterprise (PT. Sarana Multi Infrastruktur / SMI (Persero))

## List of Projects Supported by SDG Indonesia One in 2020



No	Project/Activity	Sector	Support type	SIO Partners	Achievements (Deliverables)
1	RSUD Tapin	Health	Financing	World Bank	Q1-2020 (25 February 2020)
2	Sunter River Garbage Power Plant (PLTSa)	Renewable Energy	Technical Assistance (FS Review)	USAID-ICED II Program	Q2-2020 (22 June 2020)
3	Solar Power Plant Project of 2 MW in the University of Indonesia	Renewable Energy	Technical Assistance (FS Review)	USAID-ICED II Program	Q2-2020 (22 June 2020)
4	Umbulan Drinking Water Supply System (SPAM)	Clean Water	Financing	AFD	Q3-2020 (22 July 2020)
5	PTPN XI Biomass Power Plant (PLTBm)	Renewable Energy	Financing	AFD	Q3-2020 (22 July 2020)
6	RSUD Musi Banyuasin	Health	Financing	World Bank	Q3-2020 (11 August 2020)
7	Dumai Drinking Water Supply System (SPAM)	Clean Water	Technical Assistance (Review of PDAM's Financial Aspect)	USAID-IUWASH Plus Program	Q3-2020 (September 2020)
8	Cardiovascular Specialty Hospital in the Province of Southeast Sulawesi	Health	Financing	World Bank	23 October 2020
9	Luteung Hydroelectric Power Plant (PLTA)	Renewable Energy	Technical Assistance (FS Bankable preparation)	UNDP	Q4-2020 (12 December 2020)
10	Sangir Hydroelectric Power Plant (PLTA)	Renewable Energy	Technical Assistance (FS Bankable preparation)	UNDP	Q4-2020 (12 December 2020)
11	Kundur Biomass Power Plant (PLTBm)	Renewable Energy	Technical Assistance (FS Bankable preparation)	UNDP	Q4-2020 (12 December 2020)
12	Ujung Batu Biomass Power Plant (PLTBm)	Renewable Energy	Technical Assistance (FS Bankable preparation)	UNDP	Q4-2020 (12 December 2020)
13	Cimandiri Micro Hydro Power Plant (PLTM)	Renewable Energy	Technical Assistance (FS Bankable preparation)	UNDP	Q4-2020 (12 December 2020)
14	Cisomang Micro Hydro Power Plant (PLTM)	Renewable Energy	Technical Assistance (FS Bankable preparation)	UNDP	Q4-2020 (12 December 2020)
15	Pareang Micro Hydro Power Plant (PLTM)	Renewable Energy	Technical Assistance (FS Bankable preparation)	UNDP	Q4-2020 (12 December 2020)

# Air Service Industry

- Indonesia and Luxemburg have finalized Air Service Agreement (ASA) and are looking forward to signing ASA in the near future.
- ASA is expected to promote the air service industry cooperation between Indonesia and Luxemburg



# Thank You